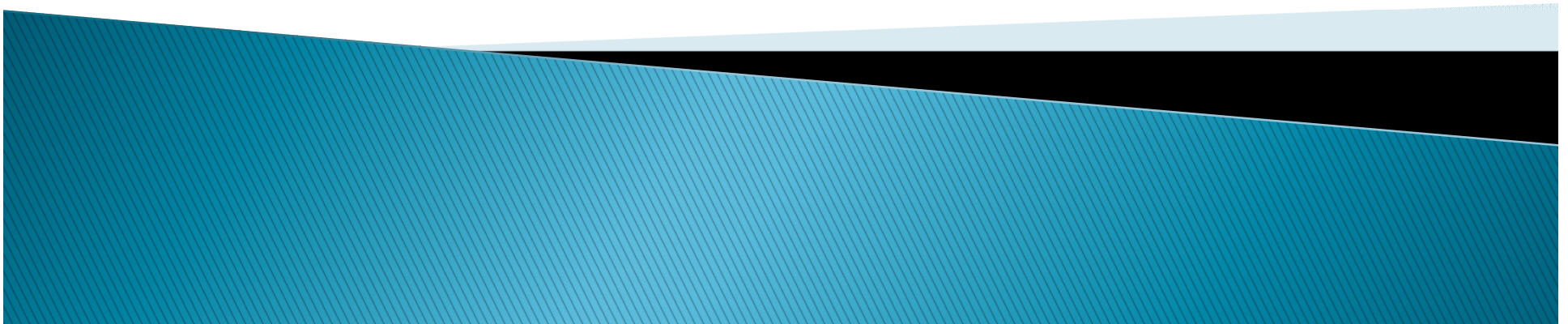


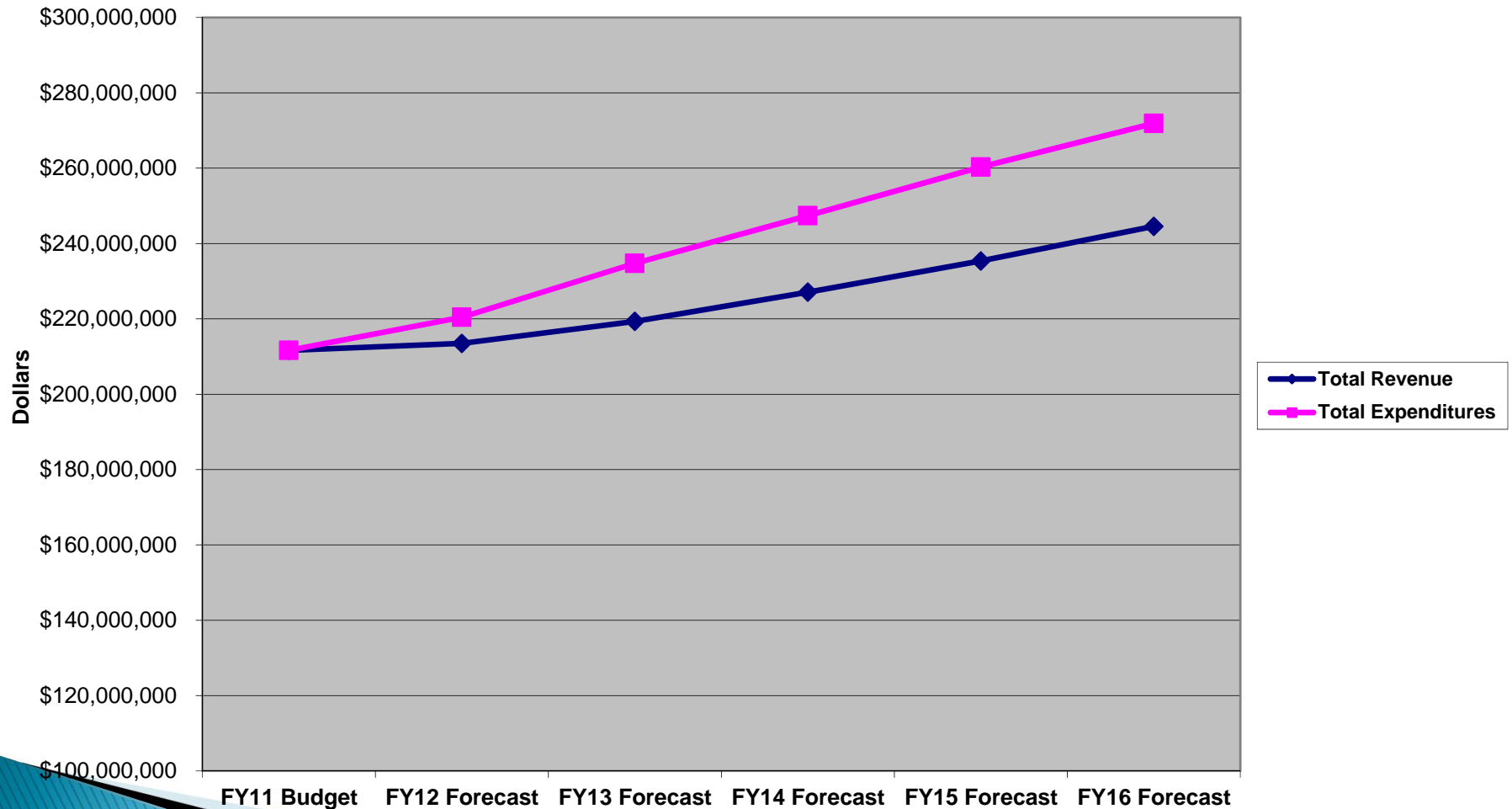
# Town of Framingham

FY13 to FY17 Long Range Financial Forecast  
2011 Fall Special Town Meeting

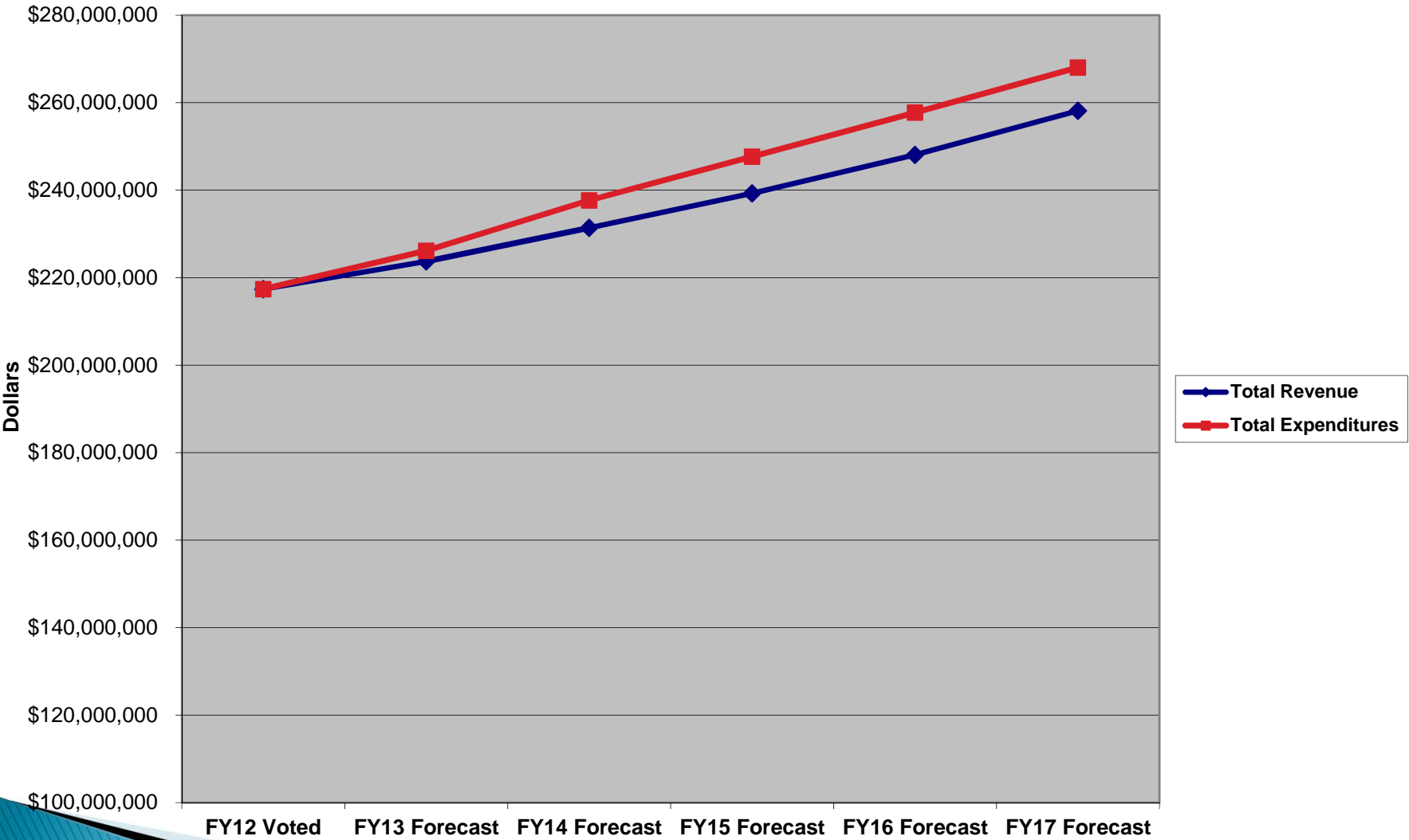


# Last Year

**Budget Gap FY2012-FY2016**



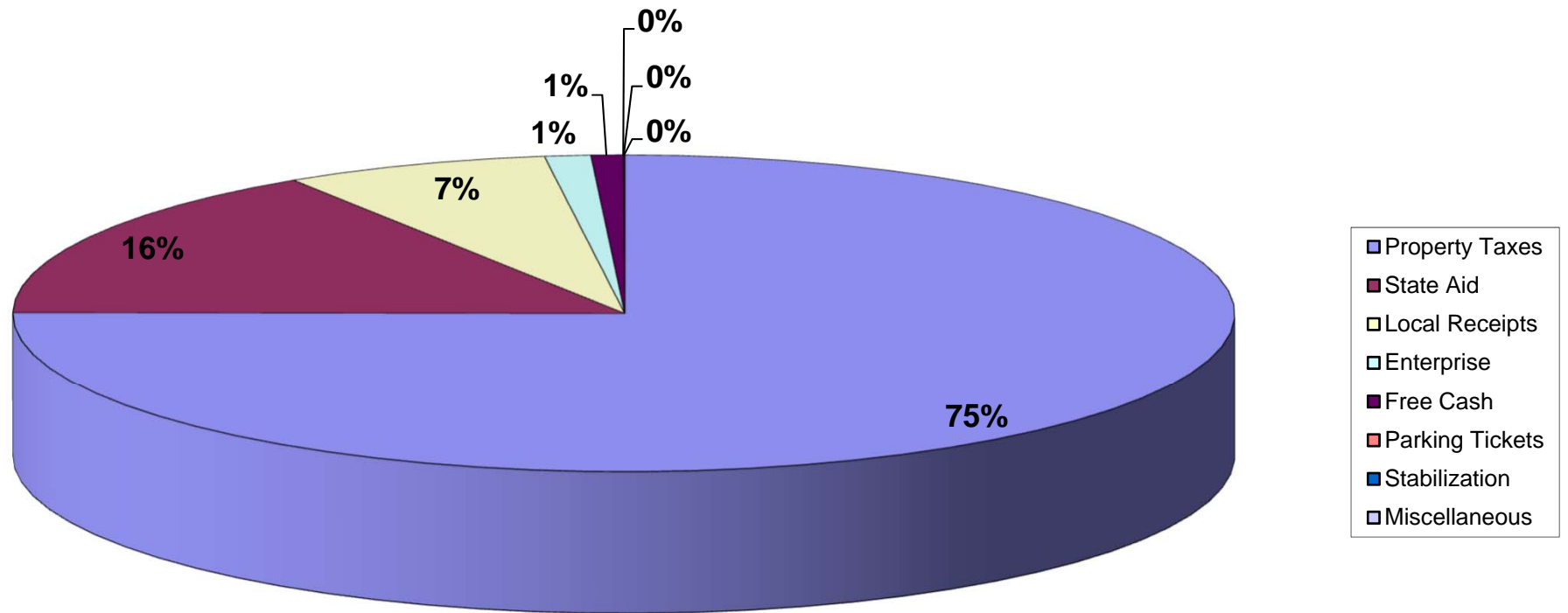
Budget Gap FY2013-FY2017



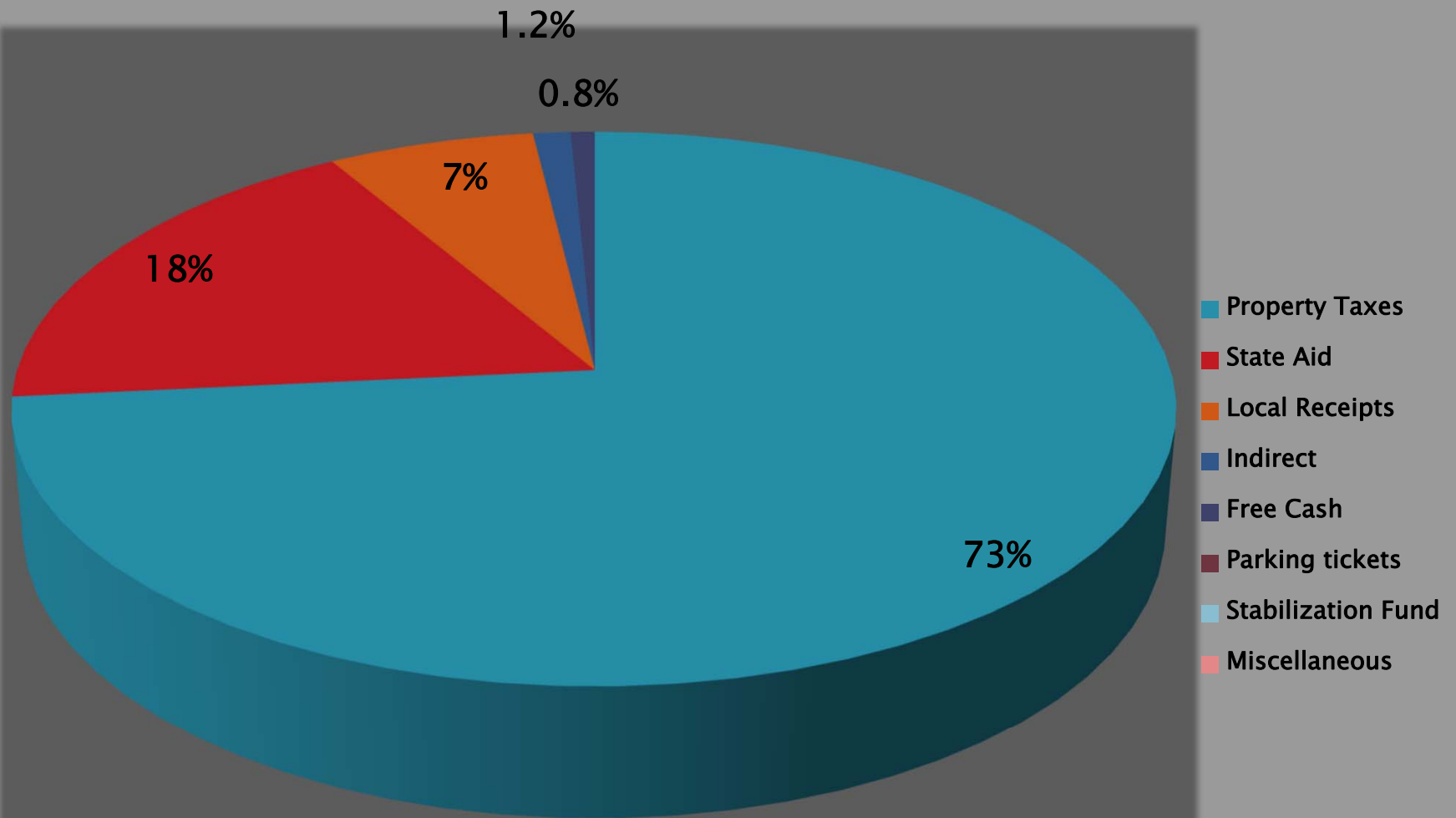
## FY2013 - FY2017 Budget Gap

	FY12 Voted	FY13 Forecast	FY14 Forecast	FY15 Forecast	FY16 Forecast	FY17 Forecast
<b>Revenue</b>						
Property Taxes	\$162,979,144	\$168,003,622	\$173,172,713	\$178,490,411	\$183,970,702	\$189,628,723
State Aid	\$34,285,317	\$35,314,576	\$37,388,090	\$39,520,989	\$42,389,376	\$46,485,982
Local Receipts	\$15,580,322	\$15,697,187	\$15,984,893	\$16,328,677	\$16,707,315	\$16,937,292
Enterprise Indirect Trnsfr	\$2,643,378	\$2,722,679	\$2,804,360	\$2,888,490	\$2,975,145	\$3,064,399
Free Cash	\$1,820,000	\$1,920,000	\$1,980,000	\$1,980,000	\$1,980,000	\$1,980,000
Parking Tickets	\$66,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Stabilization Fund	\$0	\$0	\$0	\$0	\$0	\$0
Miscellaneous	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000
<b>Total Revenue</b>	<b>\$217,389,161</b>	<b>\$223,723,065</b>	<b>\$231,395,055</b>	<b>\$239,273,567</b>	<b>\$248,087,539</b>	<b>\$258,161,395</b>
<b>Revenue Growth Rate</b>	<b>2.7%</b>	<b>2.9%</b>	<b>3.4%</b>	<b>3.4%</b>	<b>3.7%</b>	<b>4.1%</b>
<b>Expenditures</b>						
Municipal Departments	\$48,295,138	\$50,220,332	\$51,936,826	\$53,817,614	\$55,636,009	\$55,989,015
School Departments	\$100,074,282	\$105,204,588	\$109,178,121	\$114,089,731	\$119,239,321	\$124,639,416
Insurances	\$38,314,705	\$38,412,766	\$40,264,202	\$42,642,461	\$45,166,148	\$47,834,346
Retirement	\$10,351,675	\$10,816,398	\$11,297,506	\$11,800,964	\$12,314,873	\$12,868,484
Debt Service	\$9,933,389	\$13,022,712	\$16,337,643	\$16,512,787	\$16,433,864	\$17,725,460
Stabilization/Reserves	\$2,133,323	\$1,925,680	\$1,825,680	\$1,725,680	\$1,625,680	\$1,405,680
Miscellaneous			\$0			
Non Appropriations	\$8,286,670	\$6,558,411	\$6,836,335	\$7,078,763	\$7,330,143	\$7,590,813
<b>Total Expenditures</b>	<b>\$217,389,182</b>	<b>\$226,160,886</b>	<b>\$237,676,313</b>	<b>\$247,668,000</b>	<b>\$257,746,037</b>	<b>\$268,053,214</b>
<b>Expenditure Growth Rate</b>	<b>2.7%</b>	<b>4.0%</b>	<b>5.1%</b>	<b>4.2%</b>	<b>4.1%</b>	<b>4.0%</b>
<b>Projected Balance</b>	<b>(21)</b>	<b>(2,437,821)</b>	<b>(6,281,258)</b>	<b>(8,394,432)</b>	<b>(9,658,498)</b>	<b>(9,891,819)</b>

## FY13 Revenue by Type



## FY17 Revenue By Type



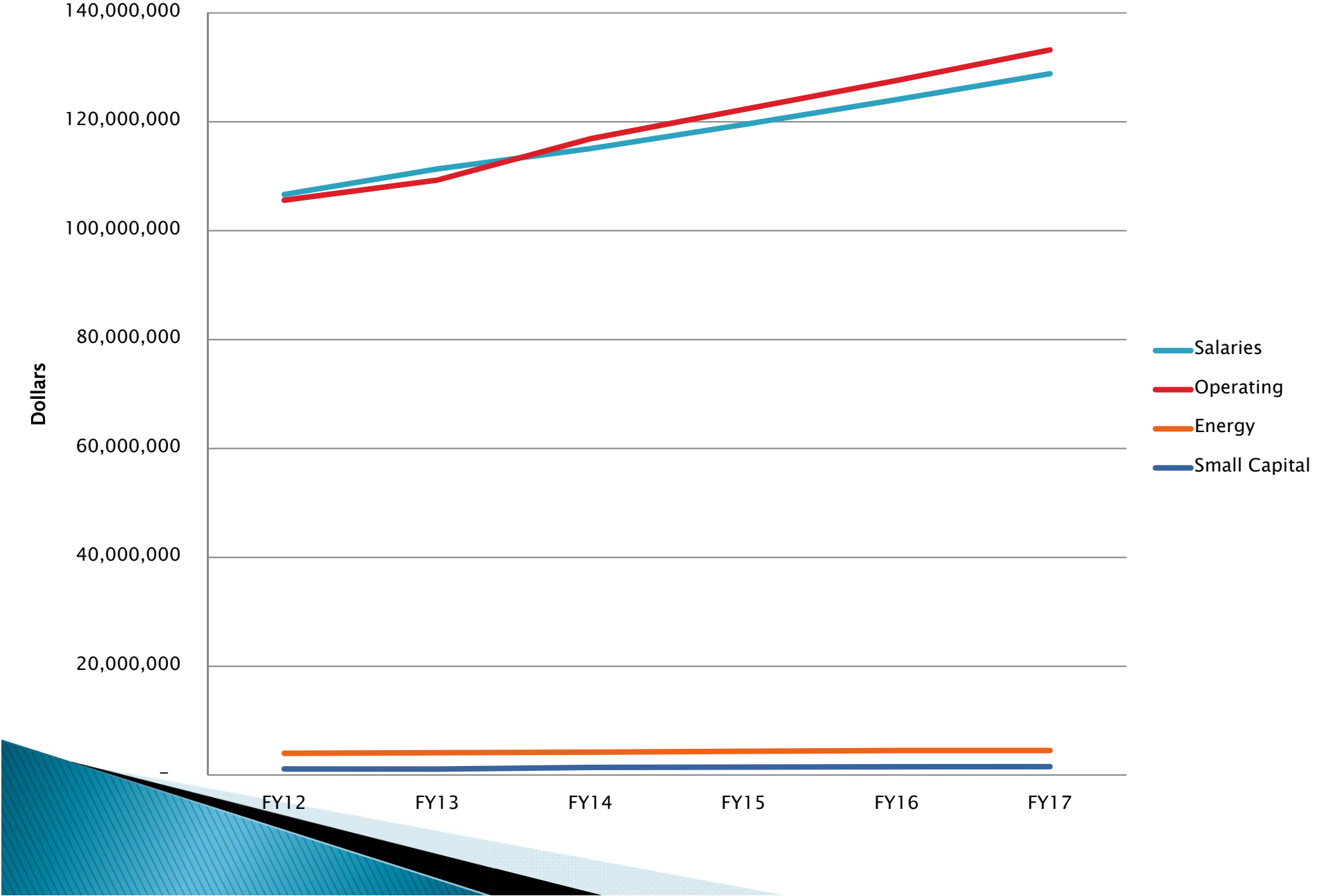
# FY13–17 Long Range Forecast

## ► Revenue Assumptions

- Property Taxes go to the Maximum Levy each year
- State Aid assumes growth in Ch 70 education Aid
  - Level then low growth in Unrestricted General Government Aid
- Local Receipts increase between 1% and 2% per year
- Enterprise Indirect gains 3% per year
- Free Cash used according to policy \$1.5 million
- Miscellaneous revenue less than \$100,000 per year



# Forecast Spending by Cost Type





# FY13 – 17 Long Range Forecast

## ▶ Spending Assumptions

- Salaries total \$11 million in FY13 to \$128 million in FY17
  - Salary spending increases between 3% and 4% depending upon department.
  - Increase in salary costs for full day kindergarten is included
- Operating costs total \$109 million in FY13 to \$133 million in FY17
  - Operating costs overtake salary costs in FY14
  - Operating costs increase between 1% and 7%
  - Health insurance increases 5% in FY14 and 15 and 7% in FY16 and 17
  - School operating costs increase 7% due to out of district tuition increases
  - The majority of the operating budgets increase 2–3%

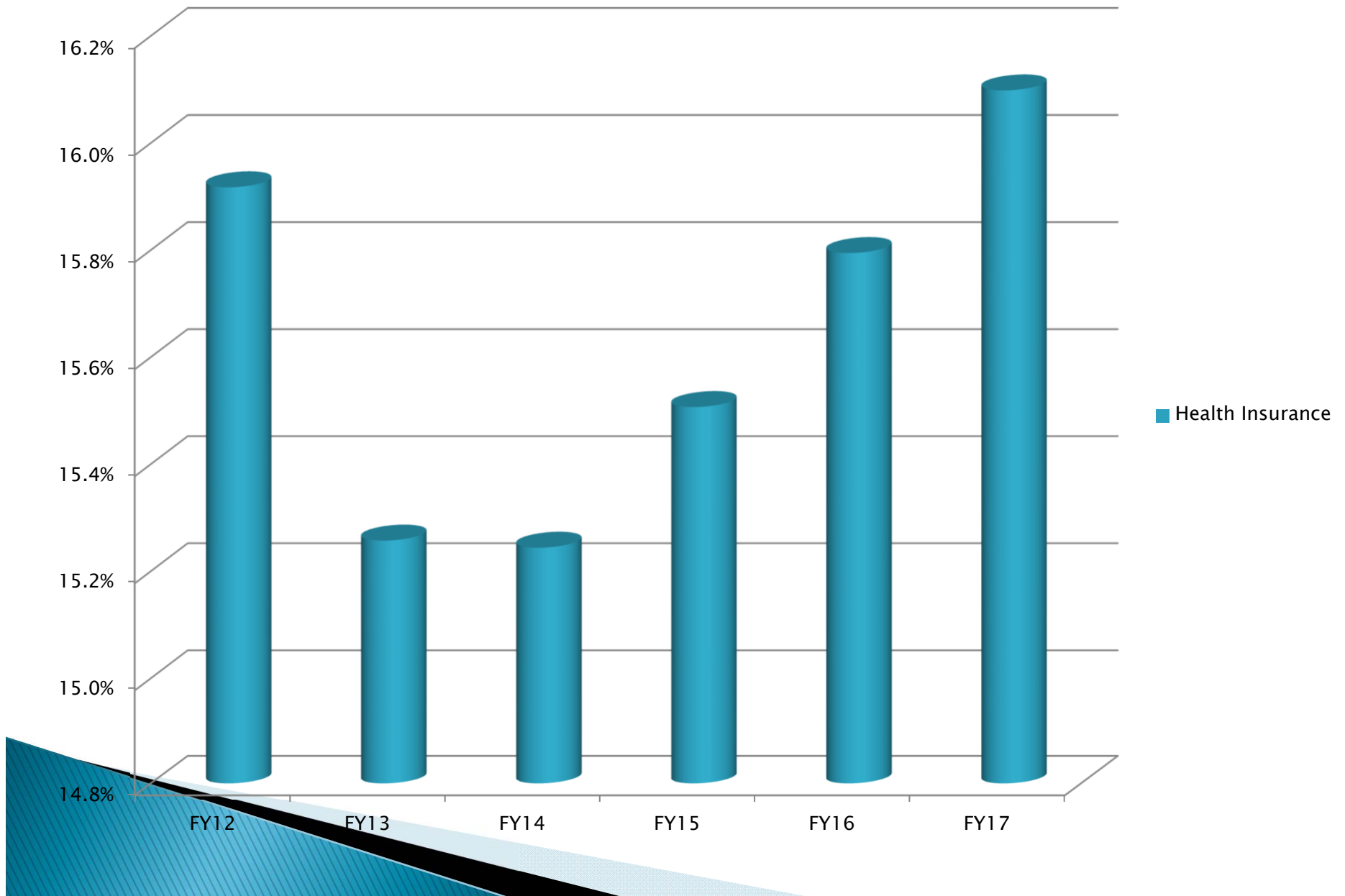


# FY13 – 17 Long Range Forecast

- ▶ Spending Assumptions (cont)
  - Energy costs total \$4 million in FY13 and increase to \$4.5 million in FY17
    - increase between 2% and 4% per year
  - Small Capital spending totals \$1.4 million in FY13 increasing to \$1.48 million in FY17.
    - One time costs, no growth rate



## Health Insurance



# FY13 – 17 Long Range Forecast

## ► Changes in Unfunded OPEB Liability

- 2008 valuation totaled \$216.9 million
- 2010 Valuation totaled \$202.1 million
- 2012 will be next valuation
  - Will include expected reductions from health insurance changes in the last contract (June 2011)
  - Will include estimated reductions in staffing



OPEB Funding Schedule 2009 to 2039

